SYSTEMS AND METHODS FOR PROVIDING
DYNAMIC PRICE IMPROVEMENT

Abstract of the Disclosure

[0071]   A system and method is provided to enable
5   traders to price improve on an item at an amount less
than a predetermined pricing increment. Traders can
improve on the price of the item using different price
improvement levels (e.g., four different levels). The
price improvement according to the invention is a
10   dynamic price improvement, which enables a dynamic
order to maintain a predetermined position in a trading
stack relative to other orders in the stack. The
dynamic order may maintain its position in the trading
stack by adjusting (e.g., increasing or decreasing) its
15   price improvement level depending on market conditions.
For example, a dynamic order may increases its price
improvement level such that it stays at least one level
ahead of the next best order in the trading stack. If
the level cannot be further increased, the dynamic
20   order may use its timestamp to maintain its position in
the stack.